

David Cotton
and Ann McGrath

TERMS OF TRADE

Spoken English for
International Business
4 Cassettes
and a Book



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TERMS OF TRADE

Spoken English for International Business

David Cotton & Ann McGrath



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Introduction

Who is *Terms of Trade* for?

It is for anyone doing business overseas, and who discusses it in English. Equally, it is for students who are studying international trade.

Why has *Terms of Trade* been produced?

Because many business people and students can read and understand written English but they want more practice in speaking the language and listening to it.

What are the practical advantages of *Terms of Trade*?

If you use *Terms of Trade*, you will have the opportunity to listen to a variety of speakers. You will be able to speak and compare your replies with those of the English speaker. You will learn idioms used by native speakers, revise grammatical structures, and practise different ways of expressing yourself in business situations. For a complete list of these, see Contents.

What is new in *Terms of Trade*?

Activity

Anyone using it will have to listen and speak. You will have the chance to practise all the business terms introduced in each unit.

Understanding

Each unit contains two dialogues. The speakers are of many nationalities, English, American, Australian, Italian etc., so you are able to hear different varieties of English — as you do in the real world of business.

Idiom

Every language uses colloquial expressions or idioms whose meaning requires explanation. Because this course is about *how* English people speak, all units contain the kind of idioms you are likely to hear if you are discussing business.

How should you use *Terms of Trade* ?

1 Business people and students using the course for private study — with a cassette-recorder at home or in the car

1.1 Each unit may be studied in advance from the book. Or, you may go through the unit on cassette without preparation and use the book afterwards. We recommend that you do *not* use the book while listening to the cassette.

1.2 For every unit there is a full glossary at the back of the book, with definitions of all the business terms used in each unit.

1.3 If you are at home and can use another cassette player, record your answers on a second machine and compare them with what you hear on the recording.

2 Teachers of business English

2.1 This course is ideal for use in the language laboratory and was initially devised for that purpose.

2.2 It is desirable that each student should have a copy of the book. You may then *either*: go over the unit with your students before they listen and record their answers; *or*: with an advanced class, allow the students to do the unit without preparation, then answer any queries they may have.

What subjects does *Terms of Trade* deal with?

These are the themes treated in each unit:

Unit 1

Dialogue 1

The management of a food company discuss whether they should start exporting to Europe.

Dialogue 2

After selecting the West German market, they consider how to enter it.

Unit 2

Dialogue 1

The sales manager of a textile machinery firm talks about his company to a visiting American businessman.

Dialogue 2

The sales manager explains why his company is successful. The American businessman considers placing an order.

Unit 3

Dialogue 1

The American businessman negotiates with the sales manager. They discuss details of the deal, such as price, delivery dates and discounts.

Dialogue 2

The deal is concluded. The two men agree on a method of payment for the goods which have been ordered.

Unit 4

Dialogue 1

An employee of a freight forwarding company telephones the general manager of an explosives firm. They discuss details of a shipment of dynamite to Australia.

Dialogue 2

Two Asian business executives have problems getting a consignment of air-conditioning units through customs.

Unit 5

Dialogue 1

Executives in an export department consider two methods of securing payment from an overseas customer: banker's transfer and letter of credit.

Dialogue 2

The executives review the methods of payment of a long-standing Belgian customer. They have to decide whether to offer him open account terms.

Unit 6

Dialogue 1

An export executive talks to a new employee about insuring a consignment of goods for South America.

Dialogue 2

An Italian importer telephones a British firm about damage to a consignment of typewriters.

Unit 7

Dialogue 1

The owners of a home and garden equipment company talk to a Swedish buyer about how they market their goods in Sweden. The buyer suggests they use a new sales approach.

Dialogue 2

On returning from Sweden, the owners tell their sales manager about an offer from a Swedish dealer to distribute their goods. Details of the offer are discussed.

Unit 8

Dialogue 1

A Canadian and an Australian businessman go over the terms of an agency contract.

Dialogue 2

Two years later, they argue about what went wrong with the agency. The American is totally dissatisfied with the agent's sales performance.

What varieties of English will you hear in Terms of Trade?

Many of the speakers in the dialogues and *all* the speakers in the exercises use a standard English pronunciation. That is to say, they have the kind of pronunciation which is common among educated speakers in England. This is often called Received Pronunciation (RP). Besides standard English (RP), you will hear other varieties of English, e.g. regional British accents, American English, Australian English, and English as it is spoken by non-native speakers. The speakers who do *not* use Received Pronunciation are listed below:

Units 2 and 3

<i>Dialogues 1 & 2</i>	Mr Johnston	American (USA)
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Unit 4

<i>Dialogue 1</i>	Mr Brockett	Northern (England)
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<i>Dialogue 2</i>	Winston Mohabir	Asian
	Grace Patel	Asian

Unit 5

<i>Dialogue 1</i>	Derek	West Country (England)
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<i>Dialogue 2</i>	Managing Director	Irish
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Unit 6

<i>Dialogue 1</i>	Paula Williams	Welsh
-------------------	----------------	-------

	Bob Seagram	Welsh
--	-------------	-------

<i>Dialogue 2</i>	Mr Mazzi	Italian
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Unit 7

<i>Dialogue 1</i>	Inge Svenson	Swedish
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Unit 8

<i>Dialogues 1 & 2</i>	Clint Marsden	American (USA)
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	Mark Boland	Australian
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The authors

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David Cotton is a specialist in business English for foreign students. He has written numerous courses for companies and international organisations. He is the author of:

International Business Topics, Evans, 1979;

Agenda, Business English through Case Studies, Harrap, 1980;

World of Business, Bell and Hyman, 1984.

Ann McGrath has contributed scripts for use in the language laboratory for a variety of courses devised for overseas business executives, accountants and auditors.

The tapescript

Throughout the tapescript the following symbols are used:

prompts are indicated by brackets: ()

pauses for the student to speak are indicated by dots: •

Unit 1

Choosing an Overseas Market

PART 1

DIALOGUE 1

Gourmet Ltd is a food manufacturing and marketing company. It is well known for its ranges of spices, herbs and sauces. Its Managing Director, Dennis, is talking to two other directors of the company, Nigel and Diana.

Listen:

- NIGEL While you were away in Manchester, Dennis, Diana and I had a few talks together. About the way things are going here.
- DENNIS Good. Tell me about it.
- NIGEL OK then, it's about our business strategy. We think it's time to move into the export field. We should try to break into one of the European markets.
- DIANA You see, Dennis, this company can only expand by selling abroad. It would be a big gamble. We've got no exporting experience, I know. But it would be worth making the effort.
- DENNIS Mm ... Could you spell out why we need to look for overseas markets, in your opinion?
- NIGEL There's one very good reason. The home market's saturated. We've got to start selling abroad now.
- DIANA That's it. We can't expand any more here in Britain. I mean, look at our market share. It's stuck at around two per cent. And we're fighting to keep that share.
- DENNIS The market's certainly become very competitive, I agree.
- NIGEL Yes. We're spending a fortune on marketing and sales promotion these days. Our turnover's still going up, but our costs are rising even faster. They've shot up recently.
- DENNIS So, in your view, this is the right time to market our products overseas.

NIGEL }
DIANA }

Exactly./Yes.

DENNIS

I'm not against the idea, you know. We might be able to penetrate one of the European markets — France perhaps or West Germany.

DIANA

Why do you pick on those countries, Dennis?

DENNIS

Well, they've got a lot of potential, haven't they? Don't forget, the French and Germans use a lot of herbs and spices in their cooking. I reckon our products would go down well there.

NIGEL

That's interesting. We also thought of France and Germany, mainly because they're members of the EEC.

DENNIS

Yes, that could be useful. There'd be no restrictions on trading, no import duties or quotas.

NIGEL

And both markets are close to us. There shouldn't be any problem shipping goods or meeting delivery dates. Also...

DENNIS

Listen, you two, I've got to rush off now. I promised to see Bill before he leaves for the trade fair. Let's talk about exporting at our management meeting tomorrow, mm? I'll put it on the agenda. Is that OK?

NIGEL

Fine.

DIANA

Right. Make sure it's the first item on the agenda, or we may not get round to it.

EXERCISE 1 Listen and repeat

our business strategy

•

move into the export field

•

break into one of the European markets

•

look for overseas markets

•

the home market's saturated

•

right time to market our products overseas

penetrate one of the European markets

•

they've got a lot of potential

•

there'd be no restrictions on trading

•

no import duties, or quotas

•

EXERCISE 2 Asking for more information

In the dialogue you listened to, Dennis was a little surprised when he heard about the new strategy — he wanted to know more. Now we shall practise some different ways of asking for information. Dennis said:

Could you spell out why we need to look for overseas markets?

Now you ask the same question using the words we suggest.

Listen to the example:

(Could you explain)

Could you explain why we need to look for overseas markets?

Now you go on:

(Could you explain)

•
Could you explain why we need to look for overseas markets?

(Could you outline)

•
Could you outline why we need to look for overseas markets?

(Could you make clear)

•
Could you make clear why we need to look for overseas markets?

(Could you spell out)

•
Could you spell out why we need to look for overseas markets?

(Could you be more specific about)

•
Could you be more specific about why we need to look for overseas markets?

Yes, that last one was rather long — we hope you managed it all right!

EXERCISE 3 Expressing what one must do

In the dialogue Nigel said: *We've got to start selling abroad.*

This was something the company *must* do. In this exercise, we shall practise a way of expressing what we must do.

Listen to the examples:

We must break into a new market.

We have to break into a new market.

We must move into the export field.

We have to move into the export field.

Now you go on:

We must break into a new market.

•
We have to break into a new market.

We must move into the export field.

•
We have to move into the export field.

We must expand by selling abroad.

•
We have to expand by selling abroad.

We must market our products overseas.

•
We have to market our products overseas.

We must penetrate the European market.

•
We have to penetrate the European market.

EXERCISE 4 Question tags

And now for a slightly more difficult exercise. Diana, Dennis and Nigel were all agreed about the advantages of selling (or marketing) their products in Europe. When we seek agreement, we use question tags. Listen:

'They've got a lot of potential, *haven't they?*' Yes.

'They'd be interested in our products, *wouldn't they?*' Yes.

The speaker uses a falling tone in the question tag *haven't they?*, *wouldn't they?* because this is not a true question. The speaker is sure the other person agrees and she is really making a statement: 'They've got a lot of potential,' 'They'd be interested in our products.' The question tag is used to invite the other person to agree. Try very hard to use the right intonation. Listen again: *haven't they?*, *wouldn't they?* Now, here's the exercise. You repeat the statement and add the question tag.

Listen again:

They've got a lot of potential.

They've got a lot of potential, *haven't they?*

They'd be interested in our products.

They'd be interested in our products, *wouldn't they?*

Now you go on:

They've got a lot of potential.

•
They've got a lot of potential, haven't they?

They'd be interested in our products.

•
They'd be interested in our products, wouldn't they?

They're members of the EEC.

•
They're members of the EEC, aren't they?

There won't be any import duties.

•
There won't be any import duties, will there?

They don't operate quotas.

•
They don't operate quotas, do they?

There shouldn't be any shipping problems.

•
There shouldn't be any shipping problems, should there?

We could meet the delivery dates.

•
We could meet the delivery dates, couldn't we?

That is the end of Part 1 of *Choosing an Overseas Market*. Before you go on to Part 2, go back and repeat any exercises you found difficult.

PART 2

DIALOGUE 2

It's four weeks later. Dennis, Nigel and Diana have been looking into ways of exporting to Europe. They are holding a meeting with other managers to discuss the matter.

Listen:

DENNIS: Right, mm, let's get started, shall we? At our last meeting, we talked about exporting. If you remember, we agreed that we should identify a market with export potential, then try to break into it. That's right, isn't it, Nigel?

NIGEL: Yes. We also agreed not to spend too much money, at least not at this stage. We don't want to do a lot of market research, or carry out an expensive market survey.

DENNIS: Quite right, Nigel. Now we've been collecting information in the last few days. Diana has talked to a marketing consultant, Peter Collins. Nigel has visited the British Overseas Trade Board. And I've sounded out a few of my contacts. OK Diana, would you start the ball rolling please?

DIANA: Certainly. You all know Peter Collins, I'm sure. He writes for Marketing Magazine, and runs an export consultancy service. Peter was glad to help. He advised us to start exporting to West Germany. But on a small scale at first.

DENNIS: Did he recommend any particular approach?

DIANA: Yes. He was definite about the sales outlets we should use. In his opinion, the speciality food shops would be ideal for distributing our goods.

DENNIS: Mm, that type of retail outlet is very common in Germany.

DIANA: Peter thinks we could take a stand at the trade fair in Cologne. It would be a way to make our brands known in the trade. After that, we could push our products through the speciality stores.

DENNIS: Interesting. Thanks very much Diana. Now Nigel, what about you? How did you get on?

NIGEL: I went to the British Overseas Trade Board. I must say, I learned a lot about our main product areas — spices and herbs.

DENNIS: Did you speak to anyone in particular?

NIGEL: A Miss Jenkins. She was a mine of information. Especially about regulations. It seems there are a lot of them. Regulations about labelling bottles and packets, about colours and ingredients . . .

DENNIS: I see. They vary from country to country, I suppose.

NIGEL: Yes. For example, in Germany, they'll only accept sauces and relishes in certain sizes of jar. And they're not the same sizes we use.

DENNIS: Mm, that's bad news for us.

NIGEL: Mm, very. It means that Peter Collins' approach may not be suitable for us. Maybe we should try to find a trading